

OFFICE OF FISCAL ANALYSIS

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SB-220

AN ACT CONCERNING STUDENT LITERACY. AMENDMENT

LCO No.: 4641

File Copy No.: 650

Senate Calendar No.: 412

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Comptroller	GF - Cost	10 million	10 million
Education, Dept.	GF - Cost	See Below	See Below
Connecticut Housing Finance Authority	CHFA - Cost/Potential Revenue Impact	Minimal	Minimal

Note: GF=General Fund; CHFA=Resources of CHFA

Municipal Impact: None

Explanation

The amendment strikes the underlying bill and its associated impact.

The amendment makes various changes to education statutes, resulting in the fiscal impacts described by section below.

Sections 1 and 2 have no fiscal impact. They make clarifying changes to ensure local and regional boards of education (BOEs) administer approved reading tests and require the State Department of Education (SDE) to develop guidance related to intervention for students struggling with reading. It is anticipated BOEs and SDE have the necessary expertise to meet the requirements.

Section 3 expands eligibility for the Aspiring Educators Scholarship Program to students who graduated from any Connecticut public high

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school, rather than in Alliance Districts only, and are underrepresented in the teaching profession. This results in a cost annually to SDE beginning in FY 27. Costs will vary based on the number of additional award recipients due to the amendment, and the amount of grants they receive.¹ In FY 26, \$6 million was appropriated for the program and approximately \$1 million is anticipated to be spent.

Additionally, Section 3 allows SDE to use up to \$250,000 from the Aspiring Educators Scholarship Program account, if it is expected to lapse, to promote the teaching profession.

Section 4 requires the Connecticut Housing Finance Authority (CHFA) to expand an existing mortgage assistance program for teachers, which results in costs to CHFA from the authority's own resources beginning in FY 27 associated with altering and marketing the program.²

Additional utilization of the Teachers Mortgage Assistance program is anticipated to result in minimal changes to CHFA's operating revenues. The amendment is not anticipated to materially change the rate of spending.

The section additionally requires SDE to annually determine populations that are underrepresented in the teaching profession in order to implement Section 3. This has no fiscal impact as SDE has sufficient expertise to make the determination.

Sections 5 - 6 establish an American Sign Language working group, which has no fiscal impact as the working group has the necessary expertise to carry out the requirements of the amendment.

¹ The scholarship is up to \$10,000 per student per year enrolled in a teacher preparation program.

² CHFA is a quasi-public authority that issues its own federally tax-exempt and taxable mortgage revenue bonds. The authority pays its operating expenses using funds derived from the excess of interest income from loans over bond interest expenses.

² In 2025, CHFA assisted approximately 3,800 first-time homebuyers. Of these buyers, 27 utilized the Teachers Mortgage Assistance Program.

Section 7 extends the paraeducator health care subsidy program within the Office of the State Comptroller (OSC) from FY 27 onwards and expands eligibility to paraeducators employed in charter schools, resulting in an annual cost of \$10 million.³

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

³ Funding for this program ranged between \$5 to \$10 million beginning in FY 24. The FY 26 and FY 27 Budget appropriated \$10 million to this program within OSC. Subsidies were dispersed subject to fund availability.